

Christine A. Cappiello  
Director  
Government Relations

Anthem Blue Cross and Blue Shield  
370 Bassett Road  
North Haven, CT 06473  
Tel 203 985-6360  
Fax 203 234-5157  
christine.cappiello@anthem.com



February 24, 2009

6530

Statement  
Of  
Anthem Blue Cross and Blue Shield  
On  
**HB 6530** An Act Concerning The Accessibility And Effectiveness Of Consumer Report Cards  
and Transparency In Health Insurance Data

Good afternoon Senator Crisco, Representative Fontana and members of the Insurance and Real Estate Committee, my name is Christine Cappiello and I am the Director of Government Relations for Anthem Blue Cross and Blue Shield in Connecticut and this is a statement on **HB 6530 An Act Concerning The Accessibility And Effectiveness Of Consumer Report Cards and Transparency In Health Insurance Data**.

We are unclear as to the objective of this legislation. It appears to be adding things to the consumer report card that go far beyond the intent of the Consumer Report Card which is "designed to help you compare managed care organizations" Currently the report, as you know, the report card contains things that are needed to truly compare health plans like, as stated in the Consumer Report Card: "(1)**Service Area**: Do you live or work in the service area? (2) **Convenience**: How far would you have to travel from your home or office to use the health care services? (3) **Choice of Providers**: Does the network include your physicians, hospital, pharmacy or any other provider? Does the plan include an option for going out of the network? (4) **Coverage**: Does the plan provide the health services that you are most likely to need? (5)**Cost**: What is the premium or employee contribution? What co-payments, deductibles or coinsurance amounts will you be required to pay? (6)**Performance**: How did the health plans you are considering perform on the measures that are important to you and your family?". It is unclear to us why reimbursement rates, member utilization rates, payment and fee schedules for providers, and procedural codes, will at all be helpful to a consumer in choosing a health plan. What is more important to a member is in terms of providers is one as mentioned previously "Does this network include your doctors". Release of fee schedules, payment reimbursement and procedural codes is confidential propriety to the plan and their physicians and should not have any bearing on a member's decision to

purchase health insurance from a carrier. Again, the central question that is first and front in a potential member's mind is whether their physician is in the network. In addition, there will be an effect of providers wanting to be paid what the highest physician fee schedule is and will demand to be paid that amount. Imagine a situation in a large company where all of a sudden every employee learned what his/her colleagues were making. All of a sudden there would be upward pressure on pay. Disclosure of this information to the masses has the same effect.

Further this legislation contains a section that requires the health insurers to create a format for employer groups certain claims data. If we were required to disclose claim data for groups depending on what that aggregating claims experience is, one could figure out a person's individual medical conditions. For example, if there are 60 people in this room, you might be able to figure out an individual's claims information. And while some of it may be helpful information and maybe the company would want to take that and do something good with it, there is also information that a person wants to keep private, for instance, if they are undergoing psychiatric care. An employer could figure out just by having this claims data, even if it's not individually identifiable, if they have an employee who is a manic-depressive. Or that somebody has a sexually transmitted disease.

Transparency initiatives should focus on both quality and cost. Empowering consumers to make health care decisions based on quality information should be a critical part of the discussion on health care transparency.

Thank you for your time and attention and I am available for any questions that you might have.